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NASA Procedural Requirements

COMPLIANCE IS MANDATORY**NPR 9420.1**Effective Date: December 24,
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24, 2016[Printable Format \(PDF\)](#)[Request Notification of Change](#) (NASA Only)

Subject: Budget Formulation

Responsible Office: Office of the Chief Financial Officer[| TOC](#) | [Preface](#) | [Chapter1](#) | [Chapter2](#) | [Chapter3](#) | [Chapter4](#) | [Chapter5](#) | [Chapter6](#) | [Chapter7](#) |
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Appendix C. Description of Authority and Applicable Documents

A.1 Authority

a. **The Budget and Fiscal, Budget, and Program Information (31 U.S.C., Chapter 11).** This law provides additional statutory requirements concerning the preparation and submission of Federal budgets, as described below.

(1) **Sections 1104 and 1105.** These sections require that the President prepare and submit a budget of the United States Government for the following fiscal year. In addition, Section 1104 directs each Agency to provide information required by the President in carrying out budget responsibilities and prescribes that the President has access to, and may inspect, the records of an Agency.

(2) **Section 1108.** This section requires the Administrator, as the head of NASA, to prepare and submit to the President each appropriation request for the Agency. The request shall be prepared and submitted in the form prescribed by the President and by the date established by the President.

(3) **Section 1109.** This section also requires that the President submit to both Houses of Congress the estimated budget outlays and proposed budget authority that would be included in the budget for the following fiscal year if programs and activities of the United States Government were carried out during that year at the same level as the current fiscal year without a change in policy.

b. **Chief Financial Officers Act of 1990, Public Law 101-576.** This law amended 31 U.S.C. to improve financial management in the Federal government, establishing a CFO within each major executive Agency and setting forth the responsibilities of that position, which include maintaining reliable information for the development of cost information and developing the Agency financial management budgets.

c. **Consolidated Appropriations Resolution, 2003, Public Law 108-7 (42 U.S.C. § 2459i).** This law established the NASA Working Capital Fund (WCF) and how it may be used.

d. **Government Performance and Results Act of 1993, Public Law 103-62.** This law amended 31 U.S.C. to add additional responsibilities for performance reporting. The law requires agencies to prepare strategic plans, annual performance plans, and annual performance reports. The annual performance plan must cover each program activity set forth in the budget of such Agency, including a description of the operational skills and technology, human capital, information, or other resources required to meet the performance goals.

e. **Information Technology Management Reform Act of 1996 (Clinger-Cohen Act), Public Law 104-106, Division E.** This Act requires the Director of OMB, as part of the annual budget process, to analyze, track, and evaluate the risk of all major capital investments made by Executive agencies for information systems. It also requires the OMB Director to submit a report to Congress on the net program performance benefits achieved as a result of major capital investments made by Executive agencies in information systems and identify how the benefits relate to the accomplishment of the goals of the Executive Agency.

f. **National Aeronautics and Space Act of 1958, Public Law 85-568 (42 U.S.C., Chapter 26).** This law, referred to

as The Space Act, established NASA as a Federal agency, outlining the objectives of United States aeronautical and space activities and authorizing NASA to enter into activities which require financial support functions subject to ADA requirements, such as contracting, hiring employees, constructing facilities, and accepting gifts and donations.

g. **OMB Circular No. A -11, *Preparation, Submission, and Execution of the Budget***. This Circular provides an overview of the Federal budget process. It discusses the basic laws that regulate the budget process and the terms and concepts needed to understand the budget process. It explains development of the President's Budget and how each Agency is to prepare and submit materials required for OMB and Presidential review of Agency requests and for formulation of the annual budgets. This Circular is revised annually.

h. **OMB Circular No. A -19, *Legislative Coordination and Clearance***. This Circular outlines procedures for the coordination and clearance by OMB of Agency recommendations on proposed, pending, and enrolled legislation and includes instructions on preparation and timing of Agency legislative programs. Two of the essential purposes for requiring agencies to submit annual legislative programs are to help agencies coordinate the legislative program with the preparation of their annual budget submissions to OMB and to aid OMB and other staff of the Executive Office of the President in developing the President's legislative program and budget.

i. **OMB Circular No. A -25, *User Charges***. This Circular establishes Federal policy regarding fees assessed for Government services and for sale or use of Government goods or resources and will apply whenever the Agency undertakes activities that involve user charges. It provides information on the scope and types of activities subject to user charges, the basis upon which user charges are to be set, and guidance on Agency implementation of charges and the disposition of collections. Agency estimates for reimbursable budget authority must meet the requirements of this Circular.

j. **NPD 9010.2, "Financial Management."** This NPD establishes that the Agency CFO directs, manages, and provides policy guidance and oversight of Agency financial management personnel, activities, and operations.

A.2 Applicable Documents

a. **NPD 1000.0, "NASA Governance and Strategic Handbook."** This handbook sets forth the principles by which NASA will strategically manage the Agency, describes the means for doing so, and identifies the specific requirements that drive NASA's strategic planning process.

b. **NPD 1000.3, "The NASA Organization."** This policy defines the NASA organization and assigns the roles and responsibilities necessary to achieve NASA's vision and mission.

c. **NPD 1001.0, "NASA Strategic Plan."** The Strategic Plan documents the Agency's long-term goals, articulated in a coherent plan that establishes the framework under which NASA may achieve its vision "to advance U.S. scientific, security, and economic interests through a robust space exploration program."

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